National Renewable Energy Laboratory

Business and Operating Results Fact Sheet FY 2001

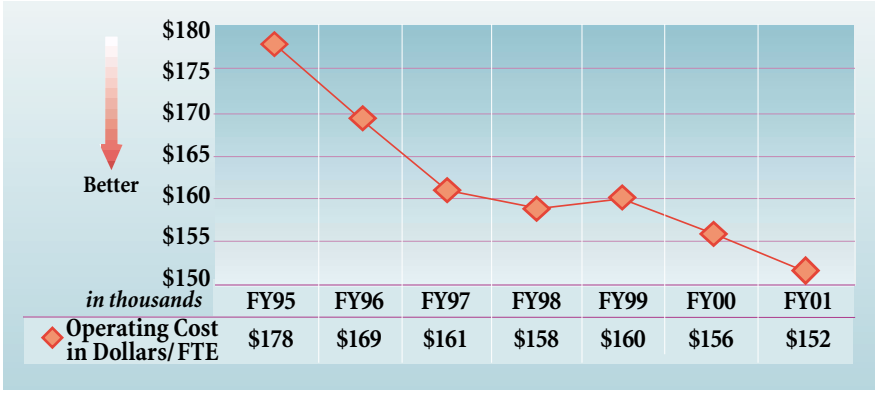
Laboratory-Level Management Outcomes

NREL's fiscal performance meets or exceeds established goals while operational support remains productive and efficient. Outcomes of effective management, emphasizing results and improvements, are demonstrated below.

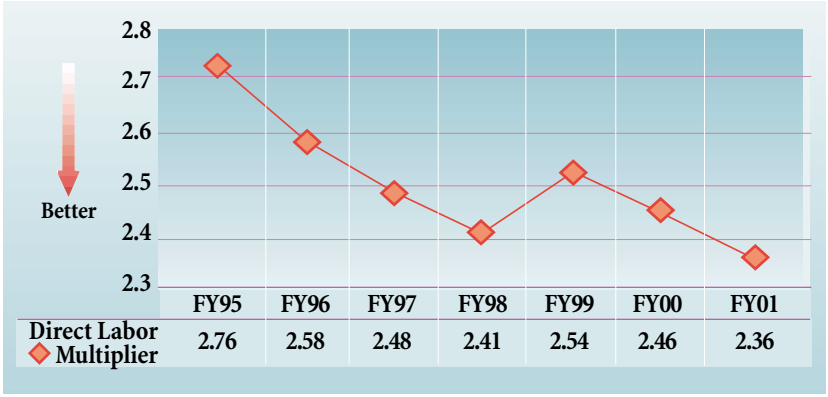
Measures of Efficiency

Operating Costs per Research FTE

Operating cost per research Full-Time Equivalent (FTE) is an important measure of cost effectiveness and overall operating efficiency. NREL's operating costs per research FTE have been reduced 14.6% in real terms since FY95. The slight increase in FY99 is attributed to management transitions resulting from contract recompetition. Operating costs include labor, facilities overheads, recharge costs, and other indirect costs.



in thousands	FY95	FY96	FY97	FY98	FY99	FY00	FY01
Operating Cost in Dollars/FTE	$178	$169	$161	$158	$160	$156	$152



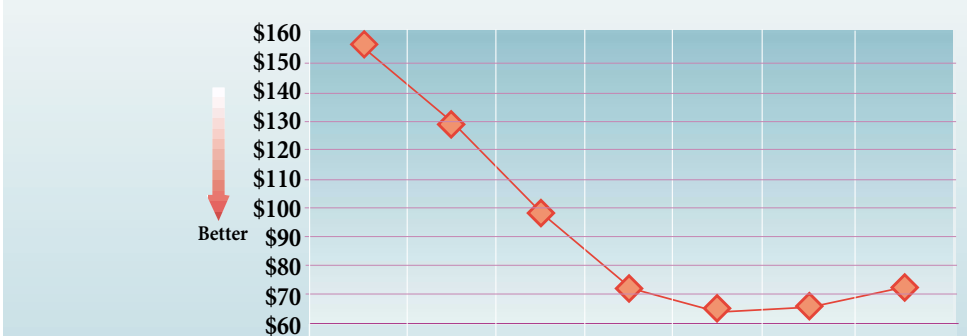
	FY95	FY96	FY97	FY98	FY99	FY00	FY01
Direct Labor Multiplier	2.76	2.58	2.48	2.41	2.54	2.46	2.36

Direct Labor Multiplier

NREL achieved a labor multiplier of 2.36 in FY01, exceeding its target of 2.42. Proactive management and timely response to changing requirements and priorities enabled the Lab to exceed its goal. NREL also provided support for material acquisitions at a lower cost than planned, with an actual rate of 5.2% compared to the planned 5.5% rate.

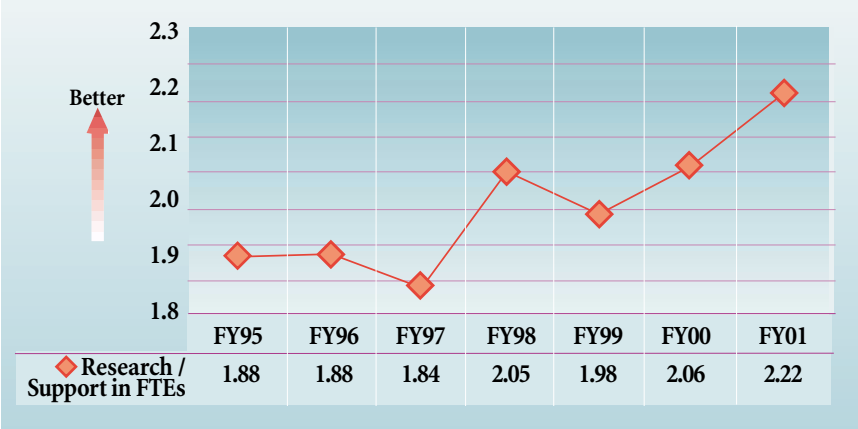
Uncosted Obligations (GSO)

NREL has reduced its Goods and Services on Order (GSO) balance since FY95 — both in real terms and as a percent of the total funds available to spend each fiscal year. Effective program management has resulted in a decrease in GSO balances of more than 54% since FY95. The $72M of uncosted obligations in FY01 represents 25% of the total funds available to spend.



in millions	FY95	FY96	FY97	FY98	FY99	FY00	FY01
Uncosted Obligations	$157	$129	$99	$72	$65	$66	$72
Total Funds Authorized (TFA)	381.8	340.2	288.5	277.3	265.7	253.3	281.9
GSO % of TFA	41.1%	37.9%	34.3%	26.0%	24.5%	26.1%	25.5%
% GSO Committed	42.2%	31.5%	43.2%	62.4%	54.5%	48.4%	35.9%

Measures of Productivity



Ratio of Research to Support FTEs

The ratio of research (direct) to support (indirect) Full-Time Equivalents (FTEs) has increased more than 18% since FY95. This result indicates that more NREL staff are working directly on the science and technology needs of the Laboratory's clients, relative to those providing the support products and services required to conduct NREL's mission work.

Research to Support Ratio in Dollars

Two of every three dollars invested at NREL are spent directly on producing research, development, field verification and testing, technical analysis, and technical assistance outcomes and results. Transitions resulting from contract recompetition, and new operating requirements, have been effectively managed to improve this outcome consistently during the past several years. There has been a 27% improvement in the research support ratio since FY95.

Enhanced Fiscal Management:

- **Collection of federal accounts receivables** was improved significantly, reducing past-due balances from $176,000 to $0. Through increased monitoring and follow-up, all past-due balances were fully collected.
- The **percentage of payments made electronically** by NREL increased from 30.6% to 34% in the first six months of FY01.
- The **rebate earned from higher payment productivity basis points on NREL's purchasing card** increased from 36.80 points in October to an average of 44.80 points. This increase was a result of more aggressive payment practices, including use of electronic invoices and paying electronically.
- **Overall cash management** was improved, and DOE CFO requirements were met. NREL reduced the amount of excess federal funds on hand by improving its cash management performance and by increasing the number of days that the cash balance was less than $10,000. NREL's performance rate was 29.3 days per month, an improvement from an average of 25.8 days per month in the prior period.

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